

21 May 1959

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CENTRAL

INTELLIGENCE

BULLETIN



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CENTRAL INTELLIGENCE BULLETIN

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DAILY BRIEF

I. THE COMMUNIST BLOC

OK

USSR-Albania: Khrushchev plans to pay his first visit to Albania from 25 May to 6 June. The timing of the visit to coincide with the original Soviet 27 May deadline on Berlin suggests that he wishes to play down the importance of the deadline and reassure the West that no unilateral Soviet action will be taken during East-West negotiations. While in Albania, Khrushchev may further define the bloc's attitude toward Yugoslavia.

NO

Watch Committee conclusion--Berlin: No significant indications bearing on the possibility of hostilities.

OK

USSR-KGB: For the second time in two years, the Soviet state security apparatus (KGB) has taken a public oath of fealty to Khrushchev and the party. This pledge, an outgrowth of the recent state security conference in Moscow, was probably prompted by continuing party distrust of secret police activities. Its language also suggests that the regime has ordered the KGB to step up its counterintelligence activities.

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NO

Rumania-Israel: [Jewish emigration from Rumania to Israel will resume shortly, at least on a reduced scale. The Rumanian Foreign Ministry has asked the Israeli Legation to revalidate "some 130 Jewish emigré documents" which were issued before emigration was suspended at the end of February. A strong Arab reaction can again be expected.]

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OK

Lebanon: A change of cabinet, and possibly new Moslem-Christian tension, may occur in mid-June, when the emergency powers of the Karami government expire. Some of the more extreme politicians favor new parliamentary elections this year, but moderates, including President Shihab, believe the elections should be postponed until next spring when they hope prospects for a peaceful campaign will be better.

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NO

Watch Committee conclusion--Middle East: Situations susceptible of direct exploitation by Sino-Soviet bloc action which would jeopardize US interests exist in the Middle East, particularly in Iraq and Iran. The situation in the area remains precarious, but a deliberate initiation of large-scale hostilities is unlikely in the immediate future.

Iraq: The Communists pursue their course toward control of Iraq. Qasim shows no signs that he is taking resolute anti-Communist action, although he has not as yet appointed Communist party members to the cabinet nor yielded to the Communist

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demands for the "legalization" of political parties. [redacted]

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OK

Ceylon: The resignation of two extreme leftist cabinet ministers and the withdrawal of some ten other leftist members of parliament from Ceylon's ruling coalition probably will not cause Prime Minister Bandaranaike's government to fall in the immediate future. However, his prospects for remaining in office until the next national elections, which must be held by 1961, do not appear very promising at this time. [redacted]

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Laos-KMT: Approximately 500 Chinese Nationalist irregular troops, fleeing from Burmese forces, have occupied two Laotian villages on the frontier. The foreign minister, probably fearing that the presence of these troops will further complicate relations with Laos' Communist neighbors, has asked the US to request Taipei to order their removal. Last March Communist China charged Laos with complicity in border incursions made by other Nationalist troops "based in Laos."

NO

Burma: The refusal of the Soviet Embassy in Rangoon to allow the arrest of a TASS representative to ensure his appearance for a libel trial will be generally viewed by the Burmese as a heavy-handed flouting of the law. This incident may delay Burmese acceptance of the new Soviet ambassador's credentials and could have repercussions in Southeast Asia. [redacted]

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South Korea: The Rhee government has provided itself with another strong weapon for intimidating the opposition Democratic party by invoking and expanding the requirements of a long-dormant ordinance of the former US military government requiring detailed reports from all political parties. Such reports must include membership lists, details of income and expenditures, and data on party plans and activities. [redacted]

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[redacted]

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III. THE WEST

DK **Cuba:** A man with a long record of Communist associations has been named executive director of the agrarian reform machinery established by cabinet decree on 17 May. Land reform is the key to the country's economic and social development, and penetration of its administration would provide the Communists with the means of building up considerable political strength in rural areas.

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DAILY BRIEF

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I. THE COMMUNIST BLOC

Khrushchev to Visit Albania

Radio Moscow announced on 20 May that Khrushchev will head a party-government delegation which will visit Albania from 25 May to 6 June. The trip, according to the announcement, had originally been scheduled for last year. No Soviet leader of Khrushchev's rank has previously visited Albania. The timing of the visit suggests a deliberate attempt by Khrushchev to play down the importance of the original 27 May Berlin deadline and to reassure the West that the USSR will take no unilateral action during high-level East-West negotiations.

Khrushchev will probably use the visit to press home new attacks on NATO. He may be joined by East German Premier Otto Grotewohl, who arrived unexpectedly in Tirana on 15 May for a vacation of indefinite length. Greece and Turkey--on NATO's southern flank--have been criticized recently by Albania and Bulgaria for having concluded bilateral military agreements with the US. Khrushchev may also further define bloc policy toward Yugoslavia, a favorite target for Albanian propaganda.

On his way home, Khrushchev may visit Bulgaria. Moscow announced in March that a "party-government" delegation would visit Bulgaria this year. Khrushchev has also said he would attend the 40th anniversary celebrations of the founding of the Polish United Workers (Communist) party in Warsaw in the latter half of July, and he is already committed to tour Scandinavia from 10 to 25 August. A central committee meeting is scheduled in Moscow on 24 June.

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Soviet Secret Police Reaffirms Loyalty to Regime

In a communiqué following the recent general conference of state security workers in Moscow, the Soviet secret police (KGB) again swore complete loyalty to the Khrushchev regime and promised an all-out struggle against foreign intelligence services. The meeting, one of a series called by various organizations to discuss the work of the 21st party congress, was attended by party presidium member Aleksey Kirichenko, who is probably Khrushchev's second-in-command for party affairs. As on the 40th anniversary of the security services in December 1957, assurances were given that the days of arbitrary police power are irrevocably over and that the KGB is controlled at all levels by the party.

This second oath of fealty to the regime in two years was probably prompted by continuing party distrust of the secret police, which may have accounted for the unexplained ouster of KGB chairman Ivan Serov last December. The American Embassy in Moscow has suggested that the KGB may have been quietly trying to increase its prerogatives and to justify its continued existence on a grand scale. In recent months, Khrushchev has indicated his intention to reduce the role of the police in the Soviet Union and to transfer some of its functions to "public" organizations.

Moscow's accounts of the conference suggest that the regime has ordered the secret police to intensify its counter-intelligence efforts. Khrushchev's call at the 21st congress for a consolidation of state security organs was interpreted at the conference as a demand from the party for greater vigilance against the external enemy.

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Exodus of Jews From Rumania to Resume

[Jewish emigration from Rumania to Israel apparently is about to resume. The Rumanian Foreign Ministry in the past week has submitted "some 130 Jewish emigré documents" to the Israeli Legation in Bucharest for revalidation of the Israeli visas issued before emigration was suspended on 27 February in response to Arab protests.]

[Out of a total of 17,916 Rumanian Jews who have migrated to Israel since July 1958, 3,360 arrived in March; most of them, however, had actually left Rumania by the end of February. During the month of April there were only 25 immigrants. Registration for emigration continued during the period of actual suspension, at least for a time. Some 14,000 fully documented Jews still await permission to leave Rumania.]

[The lack of any publicity on this apparent resumption indicates an attempt by Rumania to forestall the expected strong reaction from the Arab states, which are already aroused by the mere prospect of renewed immigration into Israel. Arab protests against the previous immigration have been and continue to be directed to the Soviet Union, as well as Rumania. On the basis of an Arab League Council decision in March, Arab diplomats have urged other countries to oppose the movement of Jews into Israel. On 17 May, Jordan said it had received agreement from five Arab countries to convene an Arab League summit conference to discuss plans for halting Jewish emigration from Eastern Europe.]

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Change in Lebanese Government Likely in June

The political situation in Lebanon, which has been relatively calm during recent months, may soon become more tense. The emergency powers of the Karami government expire on 13 June, and concurrent changes in the cabinet are likely. The resulting political maneuvering may cause renewed Moslem-Christian conflicts.

Two members of the four-man cabinet--Raymond Edde and Husayn al-Uwayni--have already indicated they intend to resign by mid-June. A program of administrative reform has been undertaken by the cabinet which has imposed a considerable strain on the four ministers. The fatigue resulting from lengthy daily cabinet sessions may also have contributed to the obviously strained relations between the two Christians in the cabinet, Edde and Pierre Gemayel, leader of the extreme rightist Phalange. Gemayel is said to believe Edde is too conciliatory toward the Moslems who, he claims, repeatedly ask for concessions without taking any cognizance of Christian demands. Gemayel also resents President Shihab's "silent neutrality" amid these disputes.

An additional unsettling factor is the timing of new parliamentary elections. Gemayel agrees with Saeb Salaam, the extremist Moslem leader, in favoring elections this year. Moderate leaders, including President Shihab, however, prefer that they be postponed until next spring. They hope that prospects will be better at that time for a comparatively peaceful change from the present predominantly pro-Western assembly to one more in line with Arab neutralist sentiment and more representative of the influence of local magnates.

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Ceylon

The resignation of two leftist cabinet ministers and the withdrawal of some 10 representatives from Ceylon's ruling coalition on 18 and 19 May probably will not cause Prime Minister Bandaranaike's government to fall in the immediate future. While the government presently commands only 45 votes in the 100-member Parliament, it probably will be able to regain a majority with the support of opposition members who do not wish to face new national elections at this time. Five independent opposition representatives reportedly have already offered Bandaranaike their support. Furthermore, the opposition does not now appear sufficiently unified to vote the government out.

Bandaranaike's prospects for remaining in power until 1961 are now seriously threatened, however, as he has failed for the first time to control and outmaneuver the rival factions in his government. Under mounting pressure from 10 moderate cabinet ministers to oust leftist ministers Philip Gunawardena and William de Silva or face a breakup of his cabinet, Bandaranaike compromised by curtailing the two ministers' powers but attempting to retain them in the cabinet. His willingness to yield to the moderate majority and to risk Gunawardena's and de Silva's resignation probably stemmed from his determination to retain office rather than from any change in his political outlook.

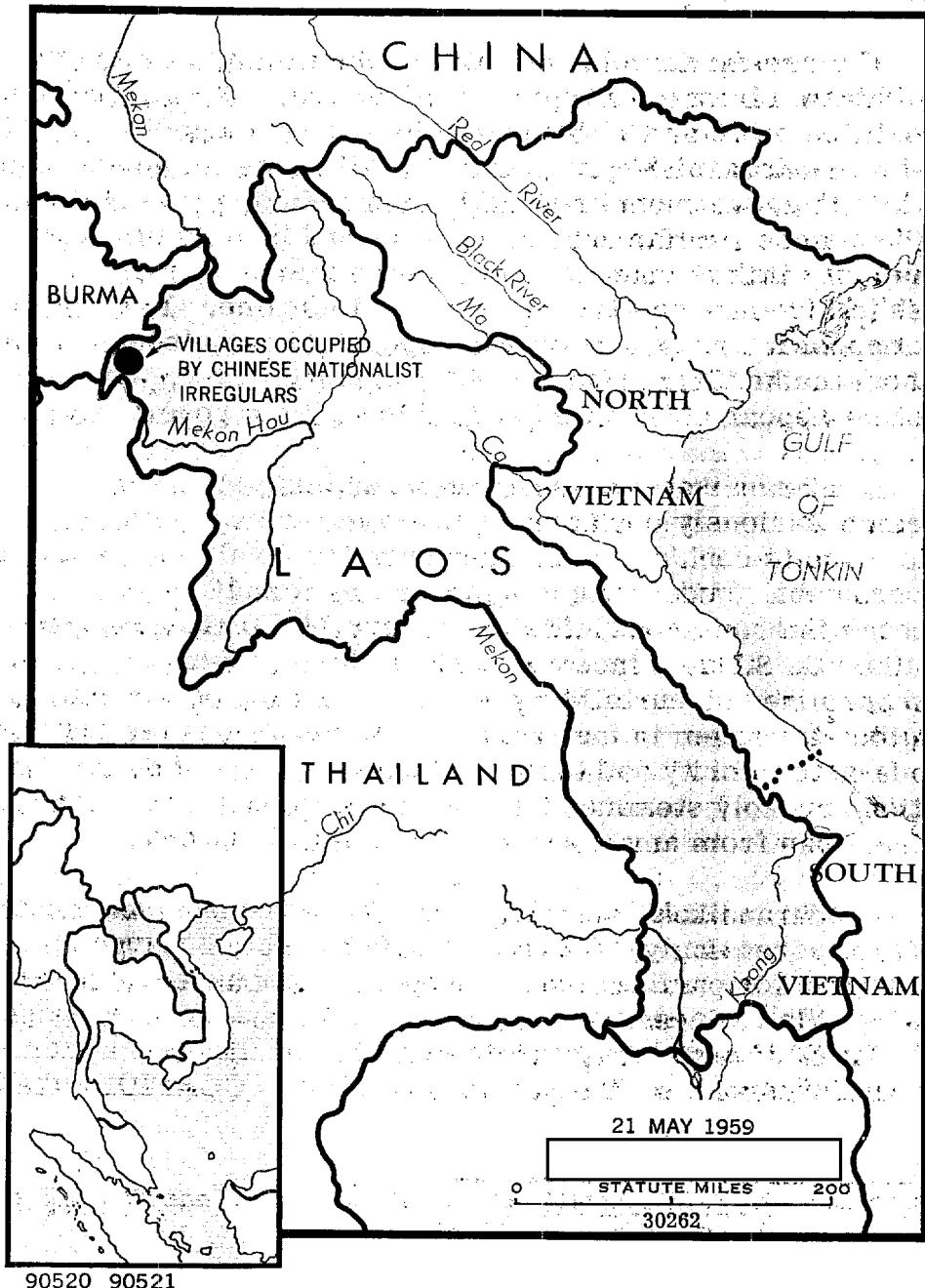
Bandaranaike's authority over a newly constituted government will be increasingly difficult to maintain, both because he may have to bargain for parliamentary support and because he has proved susceptible to pressure. Moreover, a government composed primarily of diverse conservative elements is likely to suffer from as much dissension as the previous coalition.

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Chinese Nationalist Irregulars Enter Laos

The entry into Laos of 500 Chinese Nationalist (KMT) troops fleeing a Burmese Army push is likely to aggravate Laos' strained relations with Communist China and North Vietnam. Laotian concern is apparent in the foreign minister's request on 19 May that the United States intervene with Taipei to order removal of the troops.

Laos is already under propaganda attack from its Communist neighbors as a result of attempts to integrate former Communist Pathet Lao battalions with the Laotian Army and the house arrest of Pathet leaders. Peiping on 20 May charged that these developments were a prelude to a military coup and the destruction of the domestic Communists and called for "immediate" reactivation of the International Control Commission (ICC) for Laos.

Last March Communist China's propaganda charged Laos with complicity in border incursions by Chinese Nationalist forces from Laos. Peiping can be expected to revive these charges to add urgency to Communist bloc requests that the ICC be reconvened. During April, Chinese Communist patrols entered Laos in search of KMT troops as well as refugees who had been crossing into Burma and Laos in large numbers.

Burmese military operations against the Chinese Nationalists probably reflect Prime Minister Ne Win's concern over indications of a Taipei-supported build-up of the irregulars for possible use in future guerrilla attacks against Chinese Communist border posts. The onset of the annual monsoon rains will soon force the curtailment of Burmese military pressure on the irregulars until next October.

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Rhee Administration Imposes New Restrictions on Political Activity

The Rhee administration has imposed additional restrictions on political activity in South Korea, probably as a further step in the campaign to assure President Rhee's re-election next year. The government information director on 19 May issued a memorandum requiring all political parties to submit reports covering their activities, membership lists, future plans, sources of funds, and details of their expenditures. Ambassador Dowling in Seoul observes that the measure will provide the administration with a strong weapon to harass the opposition Democratic party and to intimidate persons affiliated with or sympathetic to the opposition.

The order is based on American military government ordinance 55 for the regulation of political parties, which the government has not previously enforced. Requirements that ten days' advance notice be given of party meetings, that results of such meetings be reported within five days, that personal histories of party officers be turned in, and that future party plans be reported were not specified in the original ordinance. Invocation of an American-promulgated measure, as in the suppression of the large pro-opposition newspaper Kyonghyang Sinmun, could be an attempt to deflect criticism.

Acting under the terms of the new Local Autonomy Law, which provides for appointment rather than election of officials, on 13 May the government announced the most extensive change of provincial governors in the republic's history, which resulted in administration stalwarts' gaining most of these posts. The government also took steps to consolidate its control at the grass-roots level by appointing local officials. These moves will undercut the opposition Democrats at the important lower echelon of political organization and bring administration influence to bear on almost every aspect of the private citizen's daily life.

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III. THE WEST

Communists Expected to Exploit Cuban Land Reform

Communist penetration of rural Cuba may be facilitated by the appointment of Antonio Nunez Jimenez as executive director of the Agrarian Reform Institute. The institute was established to implement the Agrarian Reform Law promulgated on 16 May. Nunez has a long record of Communist associations and may even be a member of the party. He is a widely known geographer and intellectual, and has been influential in the revolutionary army and ministry of education, both apparent Communist targets. Prime Minister Fidel Castro retains the title of president of the institute, but his numerous other duties may keep him from giving it close direction. There is a report that "Che" Guevara, a pro-Communist revolutionary military leader, may take over the program.

The Communists have already shown considerable activity in some rural areas, particularly in Oriente Province where they have staffed "revolutionary schools" designed to instill revolutionary fervor in the masses. They have also been involved in the formation of an armed civilian militia in Oriente. A dearth of trained and effective labor leaders without the stigma of cooperation with Batista has given the Communists opportunity to gain influence in many provincial labor unions ostensibly led by 26th of July revolutionaries, most of whom are young and inexperienced.

The long-awaited Agrarian Reform Law is the keystone of Castro's still vague program of rapid economic and social development. Overconcentration on sugar production and of land ownership has kept a very large portion of the rural population almost without purchasing power. Several embassy sources feel the program may be of great benefit in the long run, but the law itself is so complex that it will require skilled and disinterested technological and administrative direction to succeed.

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